

THURLOW EDUCATIONAL TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2023

| | |
|--------------------------------------|---|
| Registered charity name | Thurlow Educational Trust |
| Trading name | Rosemead Preparatory School |
| Charity registration number | 268482 |
| Company registration number | 01186165 |
| Registered office | 70 Thurlow Park Road Dulwich London SE21 8HZ |
| Governors (company directors) | Mr Nicholas Crawford (Chairman) (resigned 8 December 2023) Mr Paul Durgan (appointed 22 March 2024) Mr Thomas Shave Prof. Mieke Van Hemelrijck Dr Aman Bhandari (resigned 8 December 2023) Mr David Enzor (appointed 22 March 2024) Mrs Anne Crane (resigned 9 February 2023) Mrs Kim Murray (resigned 9 February 2023) Mr Mathew Horne (resigned 9 February 2023) Mr Thomas Rutteman (resigned 9 February 2023) Mrs Morrican Horne (resigned 9 February 2023) Dr Rachel Thomas (resigned 9 February 2023) |
| Corporate Trustee | St Dunstan's Trustee Limited Company (appointed 9 February 2023) |
| Corporate Trustee Directors | Mr Paul Durgan Chair (appointed 10 Oct 2022) Mr Ian Davenport Deputy Chair (appointed 10 Oct 2022, resigned 26 Jul 2023) Mrs Victoria Alexander (appointed 10 Oct 2022, resigned 23 Jun 2023) Dr Aman Bhandari (appointed 24 Mar 2023, resigned 8 Dec 2023) Dr Yvonne Burne (appointed 10 Oct 2022) Mr Andrew Cairns (appointed 10 Oct 2022) Mr Nicholas Crawford (appointed 24 Mar 2023, resigned 8 Dec 2023) Reverend Katherine Hedderly (appointed 9 Dec 2022, resigned 14 April 2024) Mrs Rosalind Meredith (appointed 9 Dec 2022, resigned 30 Oct 2023) Mr David Probert (appointed 9 Dec 2022) Mr Shams Rahman (appointed 10 Oct 2022) Mr Jonathan Ronan (appointed 10 Oct 2022) Mr Thomas Shave (appointed 24 Mar 2023) Mr Navdeep Sheera (appointed 10 Oct 2022) Prof. Mieke Van Hemelrijck (appointed 24 Mar 2023) Mr David Enzor (appointed 22 March 2024) |

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Linda Keirnan (appointed 10 Oct 2022, resigned 31 Oct 2022)
Rishi Boyjoonauth (appointed 22 Mar 2024)

Head

Mr G McCafferty (Appointed as Acting Head 30 January 2023 and Permanent Head from 1 September 2023)

Independent Auditor

RSM UK Audit LLP, 170 Midsummer Boulevard, Milton Keynes, MK9 1BP

Bankers

Barclays Bank PLC, 5th Floor, Corinthian House, 17 Lansdowne Road, Croydon, CR0 2BX

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CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Miss Dorothy Plumridge started her Dame School in 1942. From then till now, there has always been something about Rosemead's Children. When, in 1974, Miss Plumridge retired, the School became at the time the largest parent led School in the country. It still maintains this unique culture, with close community between the governing body, parents, teachers and of course the children.

Following Rosemead joining the St Dunstan's Group in Spring 2023, it has been great to see the continued growth and support of children and staff, ensuring the unique Rosemead experience for all.

Whether on the sports field, stage, classrooms, or many other locations, the school is thriving, and we were of course delighted to see, once again, very successful 11+ results with all children placed within the School of their choice – including the largest number of scholarships offered to children in the local prep schools.

Following the recent excellent inspection results and with many exciting plans in place, the future is bright for Rosemead, and we are set to continue inspiring many more brilliant futures.



P Durgan
Governors of Thurlow Educational Trust.

Date: 28 May 2024

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TRUSTEES' REPORT

Year Ended 31 August 2023

The Governors, who are also directors for the purposes of company law, and the Trustee present their annual strategic report for the year ended 31 August 2023, together with the audited financial statements, and confirm that the financial statements comply with the Companies Act 2006, the Company's Memorandum and Articles of Association, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

The School is a charitable company founded in 1942, incorporated in 1973 and which gained charitable trust status in 1974; its charity registration number is 268482, its company registration number is 1186165, and the liability of its member is limited to £1 by guarantee.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is governed by its Memorandum and Articles of Association, last amended on 20 April 2023 and the St Dunstan's group ("the Group") agreement dated 9 February 2023 ("the Agreement").

Governors and Professional Advisers

A list of Governors, the directors of the corporate trustee and professional advisers appears on pages 1-2.

Governing Body

The company has a single corporate member, St Dunstan's Trustee Limited ("the Trustee"). Under the terms of the Agreement:

- The Board of the Trustee is required to include four 'reserved' spaces for appropriate representatives of Thurlow Educational Trust.
- The Trustee appoints the directors of Thurlow Educational Trust;
- There is a scheme of delegation under which the directors of Thurlow Educational Trust delegate certain of their functions to the Group board.

Organisational Structure and Relationships

Thurlow Educational Trust benefits from being part of the St Dunstan's Community of Schools. Further details about the structure, governance and management of the St Dunstan's Educational Foundation can be found in the St Dunstan's College annual report and on the Rosemead website at <https://www.rosemeadprep.org.uk/about/governing-body>.

The day-to-day management of the School is delegated to the Head.

The School benefits from the support of the Rosemead School Association (RSA), a registered Charity run by representatives of the School's parents. The objects of the Association are to raise funds for the Association, the promotion of social activities which support the aims of the Trust and the provision of activities with or for other bodies that support the charitable aims of the Trust.

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The object of the Charity, as set out in its Memorandum in 1974 (as amended on 20 April 2023), is to promote and provide for the advancement of education. The School's objective is to inspire brilliant futures.

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To achieve this, the Trust runs an independent fee-paying day School that seeks to provide the best possible learning environment for boys and girls aged between 2½ and 11, so that each child can be inspired to excel both academically and socially.

Our fees continue to be set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of developing our estate to provide first class education and resources for local children.

Our School welcomes children from all backgrounds. To admit a prospective child, we need to be satisfied that our School will be able to educate and develop the child to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential new recruits can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation which actively promotes the fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or children who are, or become, disabled.

Rosemead recognises its responsibility to prevent radicalisation and extremism and has policies and procedures in place that comply with current legislation. British Values have been fully incorporated into the School's curriculum.

Rosemead is committed to safeguarding and promoting the welfare of our children and expects all staff and volunteers to share this commitment.

The school was inspected by the Independent Schools' Inspectorate (ISI) in November 2023 who found that the school met the criteria for all areas. The full report can be found on the school's website.

We maintain regular contact with parents throughout the year through informal contact, parent consultation evenings, formal reports, social events and through the weekly email.

The School maintains a high teacher-to-pupil ratio and employs high-quality and committed teachers and support staff to provide the most inspiring education that we can.

In undertaking its activities, the Governors and Trustee have taken careful regard of the Charity Commission's guidance on public benefit as defined in the Charities Act and Guidance issued February 2014 (Public benefit: rules for charities) and seeks to ensure that it delivers both public benefit and provides a benefit to a sufficient section of the public through the education of local children. Reflecting the School's charitable objectives, the School offers bursaries and continues to support local and overseas charities through fundraising activities throughout the year.

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Community Access Engagement and Outreach

Rosemead provides education to children from the local area. This provides a public benefit through the learning experience that the children receive and the saving to the public purse through the reduction in state School demand.

It is important to us that access to the education we offer and our facilities are not restricted to those who can afford 100% of our fees and that where possible Thurlow Educational Trust is able to play a part in the local community and to be aware of the needs of our neighbours and offer facilities and support where appropriate.

We believe our children benefit from learning within a diverse community and that a great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

These include:

- The School traditionally hosts a number of community sporting fixtures attended by both State and Independent Schools, including Cross Country, Netball, Football and Hockey.
- The School encourages parents to walk or cycle to School and the School has been awarded a Gold STARS Accreditation (Sustainable Travel: Active, Responsible and Safe) – awarded to less than 10% of participating Schools in London.
- The School continues to work with residents to ensure local road safety including ongoing consultation to create a 'School Street' outside of our Pre Prep. This has now happened and a school street is in place.
- The School's facilities continue to be used by a number of local organisations to provide a community venue.
- The School's hall and art studio are used by a number of external clubs to provide: Ballet, Dance Classes including; Tap and Zumba, Art and Design courses and Karate.
- Our music studios are used for singing and instrument lessons by children from the community.
- The School continues to host a number of externally facilitated 'after-School' and 'holiday' clubs to provide wrap around care to local parents.
- The School has continued to support the local Rosendale recreation ground, which is used by a range of local community groups and sports clubs.

Access, Scholarships and Bursaries

The Governing body and Trustee seek to make available a proportion of its income to enable families who might not otherwise be able, benefit from Rosemead. As a small School these funds are limited and used in a targeted manner.

A number of children currently benefit from bursary awards ranging from a remission of their fees and other concessions. In the year to 31 August 2023, the total value of bursary concession was £128,545 (prior year £91,512). Overall concessions accounted for 3% of income (prior year 2%).

Whilst the School views bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees, we anticipate increased pressure on this limited resource. Bursary awards are made on the basis of parental means, subject to resources available to support these in the current and successive years, noting that priority will be given to relieve hardship where a current child's education and future prospects would otherwise be at risk, for example in the case of redundancy.

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To support the Governors and Trustee in their review of applications the Trust has employed a third-party organisation (currently Bursary Administration Limited) who undertake an impartial review of all applications. Information about fee assistance through bursaries is provided to all applying to the School.

Further details of Bursaries and how to apply are available on request.

Scholarships

Educational Scholarships are awarded to those who excel, in some way, on their 7+ entrance assessment.

Sibling Discount Policy

To underline the value we place on continuity for families we have increased the discount provided to parents who have three or more children at the School. Rosemead currently offers a 15% discount to the elder of three children. This discount then rises by 5% for each subsequent child.

Assistance for our teaching staff

As part of our emphasis on attracting and retaining high caliber staff, the Governors and Trustee maintain the policy to offer a discount scheme where staff members choose to educate their children at our School.

Fundraising

Throughout 2022-23 the children, as year groups, chose to channel all their fundraising to support one specific charity. This enabled the children to understand more about their chosen charity and pride in helping others. A total of £9,495 was raised for the following charities;

| | |
|---------------------------------------|--------|
| Ruby's Live Kindly, Live Loudly Fund, | £4,065 |
| Tigglewinkles Wildlife Hospital, | £831 |
| Walcot Foundation, | £1,115 |
| St. Christopher's Hospice, | £1,359 |
| Sydenham Garden, | £1,841 |
| British Legion Poppy Appeal, | £284 |

Rosemead children also donated 343kg of tinned and dried foods, toiletries, nappies, and toilet paper to the Lewisham Food Bank.

STRATEGIC REPORT: REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR

Pupil numbers and fees

Our educational activities are carried out through our Pre-Preparatory and Preparatory departments. The pupil roll for the start of the academic year was 284 (2022, 299). Our fee increases this year were set by the Governors and Trustee to reflect the external inflationary pressures and to ensure they are able to provide first class education and facilities. Our fees per term for the year September 2022 to August 2023, before the deduction of any discount or bursaries were:

Nursery, £4,926
Reception to Year 2 £5,305; and
Years 3 to 6 £5,606.

Academic

The Governors and Trustee are extremely proud to say that year 6 have attained an excellent set of results.

Our Year 6 pupils have once again gained places at some of the area's most prestigious Schools.

With 137 offers across the year group for 48 children, the children have achieved great things. In all 21 scholarships were awarded, ranging through Music, Sport, Art and Drama, as well as an extremely high number of Academic awards.

The School extends its congratulations to all the pupils for their hard work and dedication and we hope they continue to have brilliant futures in their chosen Schools. Congratulations also to the staff involved for their advice, pastoral care and teaching over the years, which starts as soon as they join Rosemead and the effect continues long after they have left us.

Congratulations go to every child.

Co-curricular activities

Rosemead provides a wide range of co-curricular activities and offers over 100 opportunities for children to broaden their learning. Activities range from music (including individual instruments, to our full orchestra or various ensembles, including an electric fusion band) to chess, with our children attending local competitions and the extremely popular knitting club.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The results of the year's operation are set out in the attached financial statements. The net loss for the year ended 31 August 2023 amounted to £540,799 (2022: Income £193,158). The retained reserves at 31 August 2023 amounted to £5,649,200 (2022: £6,189,999). The net loss is due to a number of exceptional items being incurred in the year relating to the fallout from the ceiling collapse in November 2021 and the legal costs of joining the St Dunstan's Group. If these are added back, the underlying business model remains profitable.

The balance sheet has net current liabilities because the Barclays loan has been reclassified as due within one year because the bank covenants were not met as a result of the loss in the year. The intention is for the St Dunstan's Group to repay the loan during the next financial year.

As a charity the parents of our children have the assurance that all the income of the School must be applied for educational purposes.

As an educational charity we enjoy tax exemption on our educational activities and these are applied for our charitable aims. We are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our fee rates and bursary policies.

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However, as an educational charity, we are unable to reclaim VAT tax charges on our costs, as we are exempt for VAT purposes.

We also pay tax as an employer through the national insurance contributions we make. In addition to the very substantial benefits our School brings to our children, the local community and society through the education we offer and our bursary programme, we create a social asset without cost to the Exchequer.

RESERVES POLICY

The Governors and Trustee regularly review the finances, budgets and spend against budget together with a termly cash flow analysis as part of the effective stewardship of the School.

Since the inception of the charity it has been the policy of the Governors to retain a small amount of income on a year to year basis and that it is prudent and necessary to maintain a contingency sum available for planned or unforeseen repairs. In common with other independent Schools, the Governors have invested in the School buildings in recent years and have a continuing programme of refurbishment, development and investment to maintain the teaching facilities for our pupils. Although the free reserves are at a negative balance, this is not uncommon practice by independent Schools which have to finance their own capital investment plans.

The Governors regard free reserves as being the reserves of the School after deducting fixed assets and any funds held as restricted or designated. Similar to many independent Schools, the School has invested heavily in fixed assets. On the basis described there is a deficit on free reserves of £717,571 (2022: a deficit of £66,077). The Governors recognise that the level of reserves fluctuates during periods of investment in the School and the arrangements with our bank are in place to provide an adequate 'safety net' should it be required.

The Governors consider that given the overall strength of the charity's balance sheet, the stable cash flow and the available banking facility that can be called upon if need arises, that there is no need to build up a free reserve.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors and Trustee are responsible for overseeing the major risks to which the charity is exposed.

The Governors and Trustee have delegated the management of the specific risks to the Trustee Board Sub Committees who review risks against the following criteria; External, Financial, Governance, HR, Legal, Technological or Operational in each of their meetings. Amendments and additions are reported to each board meeting and the Governors continue to adopt a policy aimed at ensuring that the safety and wellbeing of both pupils and staff is given a high priority.

The main risks identified by the School's Risk Register relate to:

- Responding to the changing demographic and general affordability of private education and reducing roll.
- Preparing for any changes in the political landscape which might be presented. Including the loss of Business Rate Relief, the imposition of VAT on School fees and requirement to demonstrate sufficient Public Benefit.
- Other risks relate to the ongoing vigilance to ensure positive outcomes from inspection and the safe financial management of the School.

The Governors and Trustee are satisfied that the above risks are being adequately mitigated. It is recognised that the risk rating system can only provide reasonable but not absolute assurance that major risks have been identified and adequately managed.

PLANS FOR THE FUTURE

The Board will continue to progress the integration of the School into the St Dunstan's Community of Schools.

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The Board's Estates Strategy continues to be implemented to ensure that Rosemead can provide first class resources and accommodation across all of the year groups, ensuring that it is adequately resourced to continues to inspire brilliant futures. An Estates Masterplan will be drawn up in 2024/25 to help decide where to focus our resources.

In support of its public benefit responsibilities, the School will continue to work with the local community and state Schools, to ensure that the School's buildings and resources are actively used to provide benefit to all. The Governors will continue to make available means-tested bursary assistance and publicises this support in all of its publications.

The School roll, in common with other local Schools in the sector, has weakened and the Governors and staff are firmly committed to ensuring that the School is actively marketed and that every effort is being made to recruit and retain pupils.

The School promotes itself through local advertising, web presence and holding open days for potential parents. Parents are also able to attend the School during School hours on Show Rounds, accompanied by the Head or other members of the senior management team.

KEY PERFORMANCE INDICATORS (KPIs)

The School has KPIs around:

- Recruitment of pupils;
- Retention of pupils; and
- Results of pupils.

These KPIs are monitored regularly by the Board. Their success has been captured and reported on throughout this report.

GOING CONCERN

On 9 February 2023 the Governors resolved to integrate with St Dunstan's Educational Foundation and cease trading in this entity. It is expected that the integration will be completed on 1 September 2024. Approval is required and has been sought from the Charities Commission. It is the Governors assessment that this approval will be provided before 1 September 2024.

Following the cessation of the trade the company will become dormant.

As set out in Note 1.4, page 19, the governors and trustee have prepared the Financial Statements on a basis other than the going concern basis.

The Governors have reviewed the financial forecasts for the period up to the integration with St Dunstan's Educational Foundation. The company is expected to return to profitability in the next financial year and will generate sufficient cashflow from its trading activities to meet its obligations. It is the company's intention to repay any remaining loan balance on the loan by 1 September 2024.

FUNDRAISING

The School always aims to follow best practice in fundraising and in doing so abides by specific fundraising law (including the General Data Protection Regulation and any associated or implementing legislation) and relevant guidance from regulatory and other bodies including The Charities Commission, the Fundraising Regulator, The Institute of Fundraising and The information Commissioners office.

There have been no complaints with regards to fundraising in the year (2022: none).

STATEMENT OF GOVERNORS' AND TRUSTEE'S RESPONSIBILITIES

The Governors (who are also directors of Thurlow Educational Trust for the purposes of company law) and the Trustee are responsible for preparing the Governors' Report, including the Strategic Report and Directors Report and the

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financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Under company and charity law the Governors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP).
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors and Trustee are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware and
- The Directors and the Trustee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

APPOINTMENT AND INDUCTION OF NEW GOVERNORS

All individual Governors and Directors are also Directors of the Trustee and are appointed and inducted by St Dunstan's Trustee Limited and the St Dunstan Educational Foundation.

AUDITOR

During the year RSM UK Audit LLP were appointed as Auditors. RSM UK Audit LLP will be invited to apply for re-appointment in accordance with Section 485 of the Companies Act 2006.

The Governors' and Trustee Annual Strategic report was approved by the Governors and Trustee on 28 May 2024 and signed on its behalf by:



Mr Paul Durgan

Director

Thurlow Educational Trust

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THURLOW EDUCATIONAL TRUST

Opinion

We have audited the financial statements of Thurlow Educational Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Non-going concern basis of accounting

We draw attention to note 1.4 of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 1.4 on 9 February 2023 the Governors resolved to merge with St Dunstan's Educational Foundation and cease trading in this entity. Following the cessation of the trade the company will become dormant and the Governors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Governors' Report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the Governors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Governors' Report which includes the Director's Report and the Strategic Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Governors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of

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material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Governors' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002 and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and the risk of fraud in revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to sample testing of income, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Mason

SARAH MASON (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
Buckinghamshire MK9 1BP

28 May 2024

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

| | | Unrestricted Funds | |
|--|------|--------------------|-----------|
| | Note | 2023 | 2022 |
| | | £ | £ |
| INCOME FROM: | | | |
| Charitable activity | | | |
| School fees | 3 | 4,129,060 | 4,130,407 |
| Other educational income | 4 | 345,365 | 287,409 |
| Donations and grants | 5 | 1,728 | 49 |
| TOTAL INCOME | | 4,476,153 | 4,417,865 |
| EXPENDITURE ON | | | |
| Raising funds: | | | |
| Finance costs | | 118,237 | 101,079 |
| Charitable activity: | | | |
| Teaching | | 2,789,105 | 2,823,056 |
| Welfare | | 293,289 | 271,586 |
| Premises | | 379,483 | 301,666 |
| Support and governance | | 1,436,838 | 727,320 |
| TOTAL EXPENDITURE | 6 | 5,016,952 | 4,224,707 |
| NET (LOSS)/INCOME AND MOVEMENT IN FUNDS | | (540,799) | 193,158 |
| RECONCILIATION OF FUNDS: | | | |
| Total funds brought forward | | 6,189,999 | 5,996,841 |
| TOTAL FUNDS CARRIED FORWARD | | 5,649,200 | 6,189,999 |

All amounts relate to discontinuing activities.

The notes on pages 19 to 28 form part of these financial statements.

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)
Registered number: 01186165

BALANCE SHEET AS AT 31 AUGUST 2023

| | Note | 2023 £ | 2022 £ |
|--|------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 6,366,771 | 6,256,076 |
| Debtors | 10 | 263,281 | 178,242 |
| Cash at bank and in hand | | 350,905 | 1,063,042 |
| | | <u>614,186</u> | <u>1,241,284</u> |
| CREDITORS: amounts falling due within one year | 11 | (1,122,757) | (582,129) |
| NET CURRENT (LIABILITIES) / ASSETS | | <u>(508,571)</u> | <u>659,155</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>5,858,200</u> | <u>6,915,231</u> |
| CREDITORS: amounts falling due after more than one year | 12 | (209,000) | (637,232) |
| Provisions for liabilities | 13 | - | (88,000) |
| NET ASSETS | | <u>5,649,200</u> | <u>6,189,999</u> |
| CHARITY FUNDS | | | |
| Unrestricted funds | | 5,649,200 | 6,189,999 |
| TOTAL FUNDS | | <u>5,649,200</u> | <u>6,189,999</u> |

The financial statements were approved and authorised for issue by the Governors and Trustee on 28 May 2024 and signed on their behalf, by:



Mr Paul Durgan
Director

The notes on pages 19 to 28 form part of these financial statements.

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

| | Note | 2023 £ | 2022 £ |
|--|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash (used in)/ provided by operating activities | 14 | (214,740) | 448,587 |
| Cash flows from investing activities: | | | |
| Payments for tangible fixed assets | | (289,220) | (255,220) |
| Net cash used in investing activities | | <u>(289,220)</u> | <u>(255,220)</u> |
| Cash flows from financing activities: | | | |
| Repayments of borrowings | | (182,129) | (164,196) |
| Bank interest paid | | (26,048) | (32,719) |
| Net cash used in financing activities | | <u>(208,177)</u> | <u>(196,915)</u> |
| Change in cash and cash equivalents in the year | | <u>(712,137)</u> | <u>(3,548)</u> |
| Cash and cash equivalents brought forward | | 1,063,042 | 1,066,590 |
| Cash and cash equivalents carried forward | 15 | <u>350,905</u> | <u>1,063,042</u> |

The notes on pages 19 to 28 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1 General information

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 01186165) and a charity registered in England and Wales (charity number: 268482). The Charity's registered office address is: 70 Thurlow Park Road, Dulwich, London, SE21 8HZ.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) – Second Edition, effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Thurlow Educational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.3 Company status

The company has no share capital and is limited by guarantee. The member of the company is St Dunstan's Trustee Ltd. In the event of the company being wound up, the liability of the member is limited to an amount not exceeding £1. The company is a registered charity and there has been no change since 31 August 1992.

1.4 Non-going concern

On 9 February 2023 the Governors resolved to integrate with St Dunstan's Educational Foundation and cease trading in this entity. It is expected that the integration will be completed on 1 September 2024. Approval is required and has been sought from the Charities Commission. It is the Governors assessment that this approval will be provided before 1 September 2024. Following the cessation of trading the company will become dormant.

As such the financial statements have been prepared on a basis other than the going concern basis. No adjustments arose as a result of not applying the going concern basis as the carrying value of the assets and liabilities at the date of merger are expected to be transferred in full.

The school has loan balances outstanding and due to one-off expenses during the year ending 31 August 2023, has not met the bank covenants for the year ended 31 August 2023. The Governors are aware that this has been discussed with the lenders who have indicated that whilst they reserve the right to call in the debt, based on the information currently available, they do not intend to call in the loans.

The Governors have reviewed the financial forecasts for the period up to the integration with St Dunstan's Educational Foundation. The company is expected to return to profitability in the next financial year and will generate sufficient cashflow from its trading activities to meet its obligations. It is the company's intention to repay any remaining loan balance on the loan by 1 September 2024.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising

and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees receivable and similar income:

Tuition fees are stated after deducting allowances for awards and other remissions. Other educational income comprises income from school outings, activities and other related income. These sources of income are included in the accounts when they become receivable and their value can be measured with reasonable certainty.

Donations:

Donations are recognised in the period in which they are receivable.

Investment income:

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Expenditure

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the School's Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.8 Tangible fixed assets and depreciation

Items of furniture, apparatus, equipment and computers costing less than £500 are charged against income in the year of purchase.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

The School previously had a policy of revaluation of Freehold land and building. As permitted by FRS 102 the value as at 1 September 2014 is considered deemed cost and the School will no longer revalue land and buildings.

Tangible fixed assets are carried at cost or deemed cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|-----------------------|---|-------------------------|
| Freehold property | - | 2% straight line |
| Fixtures and fittings | - | 15% reducing balance |
| Computer equipment | - | 33.33% reducing balance |

1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.10 Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

Cash at bank and in hand

Cash at bank and cash in hand include cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account (classified as cash equivalents).

Debtors

Debtors and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and Provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Borrowings

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition and construction of freehold properties that take a substantial period of time to get ready for their intended use or sale are added to the cost of the properties until such a time as the properties are ready for their intended use or sale.

1.11 Pensions

The School contributes to a defined contribution scheme with Aviva. Contributions are charged in the period in which the salaries to which they relate are payable.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the accounting policies, the Governors are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

3. SCHOOL FEES

| | 2023 £ | 2022 £ |
|-------------------------------|------------------|------------------|
| Gross fees | 4,382,541 | 4,312,010 |
| Less: discounts and bursaries | (253,481) | (181,603) |
| Total | <u>4,129,060</u> | <u>4,130,407</u> |

Total bursaries of £128,545 (2022: £91,512) were paid to 15 pupils (2022: 10 pupils).

4. OTHER EDUCATIONAL INCOME

| | 2023 £ | 2022 £ |
|-------------------------|----------------|----------------|
| School trips and extras | 278,943 | 275,112 |
| Other income | 54,196 | 2,138 |
| Registration fees | 12,226 | 10,159 |
| | <u>345,365</u> | <u>287,409</u> |

5. GRANTS AND DONATIONS

| | 2023 £ | 2022 £ |
|-----------|--------------|-----------|
| Donations | <u>1,728</u> | <u>49</u> |

6. ANALYSIS OF EXPENDITURE

| | Staff costs 2023 £ | Depreciation 2023 £ | Other costs 2023 £ | Total 2023 £ |
|-------------------------------|--------------------------|---------------------------|--------------------------|--------------------|
| Raising funds: | | | | |
| Finance costs | - | - | 118,237 | 118,237 |
| | - | - | 118,237 | 118,237 |
| Charitable activities: | | | | |
| Teaching | 2,478,208 | - | 310,897 | 2,789,105 |
| Welfare | 54,834 | - | 238,455 | 293,289 |
| Premises | 41,785 | - | 337,698 | 379,483 |
| Support and governance | 417,812 | 178,525 | 840,501 | 1,436,838 |
| | <u>2,992,639</u> | <u>178,525</u> | <u>1,727,551</u> | <u>4,898,715</u> |
| Total 2023 | <u>2,992,639</u> | <u>178,525</u> | <u>1,845,788</u> | <u>5,016,952</u> |

Finance costs consist of loan interest, bank charges and bad debt expense. Loan interest expense totalled £26,049 (2022: £32,719).

ANALYSIS OF EXPENDIURE – PRIOR YEAR

| | Staff costs 2022 £ | Depreciation 2022 £ | Other costs 2022 £ | Total 2022 £ |
|-------------------------------|--------------------------|---------------------------|--------------------------|--------------------|
| Raising funds: | | | | |
| Finance costs | - | - | 101,079 | 101,079 |
| | - | - | 101,079 | 101,079 |
| Charitable activities: | | | | |
| Teaching | 2,456,206 | 62,001 | 304,849 | 2,823,056 |
| Welfare | 47,773 | - | 223,813 | 271,586 |
| Premises | 25,858 | 125,603 | 150,205 | 301,666 |
| Support and governance | 362,381 | - | 364,939 | 727,320 |
| | 2,892,218 | 187,604 | 1,043,806 | 4,123,628 |
| Total 2022 | 2,892,218 | 187,604 | 1,144,885 | 4,224,707 |

7. NET INCOME

This is stated after charging:

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Depreciation of tangible fixed assets: | | |
| owned by the charity | 178,525 | 187,604 |
| Operating lease payments | 9,316 | 6,784 |
| Auditors remuneration audit - Current Auditors | 35,400 | - |
| Auditors remuneration audit - Previous Auditors | 5,270 | 17,800 |

During the year, no Governors or Trustees received any remuneration (2022 - £nil).

During the year, no Governors or Trustees received any reimbursement of expenses. St Dunstan's Educational Foundation was reimbursed £82,388 for costs incurred on behalf of Thurlow Educational Trust (2022 - £nil).

8. STAFF COSTS

Staff costs were as follows:

| | 2023 £ | 2022 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 2,349,240 | 2,306,582 |
| Social security costs | 238,161 | 242,255 |
| Other pension costs | 405,238 | 343,381 |
| | 2,992,639 | 2,892,218 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

The average number of persons employed by the company during the year was as follows:

| | 2023 No. | 2022 No. |
|-----------------------|-------------|-------------|
| Teaching staff | 52 | 52 |
| Caretaking staff | 1 | 1 |
| Administration staff | 9 | 8 |
| Playground assistants | 4 | 4 |
| | <u>66</u> | <u>65</u> |

The number of higher paid employees was:

| | 2023 No. | 2022 No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 1 | 1 |
| In the band £70,001 - £80,000 | - | 2 |
| In the band £80,001 - £90,000 | 2 | 1 |
| In the band £100,001 - £110,000 | - | 1 |
| In the band £110,001 - £120,000 | 1 | - |
| In the band £120,001 - £130,000 | 1 | - |

The key management personnel of the school comprise the senior management team. The total employee benefits of key management personnel were £478,231 (2022: £494,333).

9. TANGIBLE FIXED ASSETS

| | Freehold land and buildings £ | Equipment, fixtures and fittings £ | Total £ |
|--------------------------|-------------------------------------|---|------------------|
| Cost or valuation | | | |
| At 1 September 2022 | 6,954,233 | 771,730 | 7,725,963 |
| Additions | 289,220 | - | 289,220 |
| At 31 August 2023 | <u>7,243,453</u> | <u>771,730</u> | <u>8,015,183</u> |
| Depreciation | | | |
| At 1 September 2022 | 851,859 | 618,028 | 1,469,887 |
| Charge for the year | 146,644 | 31,881 | 178,525 |
| At 31 August 2023 | <u>998,503</u> | <u>649,909</u> | <u>1,648,412</u> |
| Net book value | | | |
| At 31 August 2023 | <u>6,244,950</u> | <u>121,821</u> | <u>6,366,771</u> |
| At 31 August 2022 | <u>6,102,374</u> | <u>153,702</u> | <u>6,256,076</u> |

The Thurlow Park Road and Elmcourt Road sites were revalued by Stanley Hicks & Son Chartered Surveyors (RICS) in October 2013 at £4,825,000 at an existing use value. The historical cost of land and buildings is £1,906,847. The depreciation on the historical cost of the buildings would be £19,068

10. DEBTORS

| | 2023 | 2022 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Fee debtors | 247,050 | 151,484 |
| Other debtors | - | 4,446 |
| Prepayments and accrued income | 16,231 | 22,312 |
| | <u>263,281</u> | <u>178,242</u> |

An impairment loss of £86,202 (2022: £46,205) was recognised against trade debtors.

11. CREDITORS: Amounts falling due within one year

| | 2023 | 2022 |
|------------------------------------|------------------|----------------|
| | £ | £ |
| Bank loans | 405,732 | 201,628 |
| Trade creditors | 70,447 | 78,278 |
| Other taxation and social security | 65,857 | 60,294 |
| Fees in advance | 114,063 | 124,685 |
| Other creditors | 342,543 | 99,444 |
| Accruals and deferred income | 124,115 | 17,800 |
| | <u>1,122,757</u> | <u>582,129</u> |

For the year ended 31 August 2023, the bank covenants were not met, therefore the bank has the right to require repayment of the whole loan therefore the debt has been reclassified to amounts falling due within one year. However, the bank has indicated that they do not intend to call in the debt.

The bank overdraft facility and bank loans are secured by a first legal charge over the freehold properties known as St Cuthbert's Church, Elmcourt Road, London, SE27 9BZ and 70 Thurlow Park Road, London, SE21 8HZ.

The School has three bank loans, as detailed below:

- A medium loan with an outstanding balance of £62,019. Repayments are made quarterly. Interest is payable at 1.85% over the bank's base rate.
- A mortgage loan with an outstanding balance of £143,696. Repayments are made quarterly. Interest is payable at 1.65% over the bank's base rate.
- A treasury loan with an outstanding balance of £200,017. Repayments commenced in April 2010 and will be made quarterly until cessation in January 2025. Interest is payable at a fixed rate of 7.185%

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

12. CREDITORS: Amounts falling due after more than one year

| | 2023 | 2022 |
|-----------------|----------------|----------------|
| | £ | £ |
| Bank loans | - | 386,232 |
| Other creditors | 209,000 | 251,000 |
| | <u>209,000</u> | <u>637,232</u> |

| | 2023 | 2022 |
|----------------------------------|------|---------|
| | £ | £ |
| Between one and two years | | |
| Bank loans | - | 205,483 |

| | | |
|-----------------------------------|---|---------|
| Between two and five years | | |
| Bank loans | - | 180,749 |

13. PROVISION FOR LIABILITIES

| | 2023 | 2022 |
|---------------------------------------|----------|---------------|
| | £ | £ |
| Provision at 1 September 2022 | 88,000 | - |
| Provision (released)/made in the year | (88,000) | 88,000 |
| Provision at 31 August 2023 | <u>-</u> | <u>88,000</u> |

Following the unexpected collapse of a classroom ceiling on 15 November 2022 and subsequent alleged contravention of the Health and Safety at Work Act 1974 by the HSE, a fine of £88,000 has been imposed. The fine was paid in February 2024

14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2023 | 2022 |
|---|------------------|----------------|
| | £ | £ |
| Net (loss) / income for the year (as per Statement of Financial Activities) | (540,799) | 193,158 |
| Adjustment for: | | |
| Depreciation charge | 178,525 | 187,604 |
| Interest payable | 26,048 | 32,719 |
| (Increase) in debtors | (85,039) | (40,773) |
| Increase in creditors | 206,525 | 75,879 |
| Net cash (used in) / provided by operating activities | <u>(214,740)</u> | <u>448,587</u> |

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023****15. ANALYSIS OF CASH AND CASH EQUIVALENTS**

| | 2023 | 2022 |
|--------------|---------|-----------|
| | £ | £ |
| Cash in hand | 350,905 | 1,063,042 |

16. PENSION COMMITMENTS

The school changed pension providers on 1 September 2022 to a Workplace Retirement Account with Aviva. Contributions to the Aviva scheme were made of £261,645 (2022: £Nil). At the end of the year £nil (2022: £Nil) was accrued in respect of contributions to this scheme.

The School left The Teachers Pension Scheme on 31 August 2022. Contributions to The Teachers Pension Scheme for teaching staff ended on 31 August 2022 and no contributions were made this year (2022: £323,311). At the end of the year £nil (2022: £33,576) was accrued in respect of contributions to this scheme.

The School left the Standard Life and Legal and General pension schemes on 31 August 2022. Contributions to the defined contribution scheme with Standard Life and a stakeholder pension scheme with Legal and General for non-teaching staff ended on 31 August 2022 and no contributions were made this year (2022: £20,070).

17. RECONCILIATION OF NET DEBT

| | 1 September 2022 £ | Cash-flows £ | Other non- cash changes £ | 31 August 2023 £ |
|--|--------------------------|-----------------|---------------------------------|------------------------|
| Cash | 1,063,042 | (712,137) | - | 350,905 |
| | 1,063,042 | (712,137) | - | 350,905 |
| Loans falling due within one year | (201,628) | 182,128 | (386,232) | (405,732) |
| Loans falling due after more than one year | (386,232) | - | 386,232 | - |
| | (587,860) | 182,128 | - | (405,732) |
| Total | 475,182 | (530,009) | - | (54,827) |

18. CAPITAL COMMITMENTS

At 31 August 2023 the company had capital commitments as follows:

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Contracted for but not provided in these financial statements | - | 93,706 |

THURLOW EDUCATIONAL TRUST (A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

19. OPERATING LEASE COMMITMENTS

At 31 August 2023 the total of the School's future minimum lease payments under non-cancellable operating leases in respect of a photocopier was:

| | 2023 £ | 2022 £ |
|-------------------------|---------------|---------------|
| Amounts payable: | | |
| Within 1 year | 7,548 | 9,751 |
| Between 1 and 5 years | 2,909 | 10,457 |
| Total | <u>10,457</u> | <u>20,208</u> |

20. RELATED PARTY TRANSACTIONS

St Dunstan's Educational Foundation provided support services to the School and incurred costs of the School's behalf during the year and charged £82,338 (2022: £nil) and the balance owed is £82,338 (2022: £nil).

Two Governor's did have children who are pupils at the School during the year. School fees paid and discounts received were at the same rate and on the same terms as for all other parents of pupils at the school. The Governors are not involved in decision making processes relating to their own children.

21. ULTIMATE PARENT AND CONTROLLING UNDERTAKING

The ultimate parent undertaking since 9 February 2023 is St Dunstan's Trustee Limited, a company limited by guarantee (company number:14407568). It's registered office is St Dunstan's College, Stansted Road, London, SE6 4TY.